

## Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 184253  
ORIGIN SNM-05

INFO OCT-01 EA-10 ISO-00 /016 R

66011  
DRAFTED BY S/NM:RMGIBSON:BB  
APPROVED BY S/NM:MFALCO  
EA/TIMBS:HMEINHEIT  
-----130870 210159Z /21  
O 202302Z JUL 78  
FM SECSTATE WASHDC  
TO AMEMBASSY RANGOON IMMEDIATE

LIMITED OFFICIAL USE STATE 184253

FOL RPT MANILA 12353 ACTION SECSTATE 20 JUL 78 QUOTE

LIMITED OFFICIAL USE MANILA 12353

PASS STATE, S/NM

FOR LINNEMANN FROM SOHLIN

E.O. 11652: N/A  
TAGS: SNAR  
SUBJECT: INC FUNDED CONTRACTS

REF: MANILA 10724

1. SUMMARY. WE HAVE CONTACTED A REVIEW OF CONTRACT FUNDING FOR THE  
BURMA PROGRAM. THE CONTRACTS ARE UNDERFUNDED BY \$1.1 MILLION CONSI-  
DERING KNOWN AND ESTIMATED REQUIREMENTS FOR THE BALANCE OF THIS FISCA  
L

YEAR. SUGGEST THAT A PROGRAM FUNDING REVIEW BE CONDUCTED TO DETERMINE  
IF THERE ARE OTHER COUNTRY PROGRAM FUNDS WHICH CAN BE MADE AVAILABLE  
TO BURMA PROGRAM.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 184253

2. BJORLYKKE, HALL, CONWAY AND I HAVE REVIEWED CONTRACT FUNDING FOR  
THE BALANCE OF FY 1978 WITH E SYSTEMS AND HELI-ORIENT OFFICERS AND  
FIND THAT KNOWN AND ESTIMATED REQUIREMENTS AND COMMITMENTS EXCEED  
CONTRACT FUNDS AND AMOUNTS REMAINING IN 1978 PIO/T NO. 482-132-3-  
6487500. PIO/T ISSUED AT \$2.7 MILLION, 400,000 OF WHICH IS STILL  
AVAILABLE. DETAILS ARE SHOWN BELOW.

3. CONTRACT 1501 - E SYSTEMS (IN THOUSANDS):

FUNDING:

PIO/T - 6478606	700
PIO/T - 6487500	1,000
TOTAL	1,700

UTILIZATION:

BILLINGS	1,429
BACK ORDERS	135
F-27 IRAN (EST)	150
205 OVERHAUL	375
3 ENGINES OVERHAUL	150
EST. JULY-SEPT. ORDERS	161
TOTAL	2,400

SHORTFALL	700
-----------	-----

4. CONTRACT 1504 - HELI-ORIENT:

FUNDING:

PIO/T 6487500	1,000
TRANSFERRED FROM	
CONTRACT 942	278
TOTAL	1,278
LIMITED OFFICIAL USE	

LIMITED OFFICIAL USE

PAGE 03 STATE 184253

UTILIZATION:

BILLINGS	523
BACK ORDERS	355
BALANCE REQUIRED FOR	
ONTRAC III	680
SPARE PARTS FOR 206'S	422
EST. JULY-SEPT.	100
TOTAL	2,080

SHORTFALL	802
-----------	-----

5. RECAP:

E SYSTEMS SHORTFALL	700
HELI-ORIENT SHORTFALL	802
TOTAL	1,502
LESS AVAILABILITIES ( 400)	
TOTAL NEEDS	1,102

6. APART FROM THE AMOUNTS ESTIMATED FOR THE F-27 IRAN (150),  
OVERHAUL OF 3 ENGINES (150), AND JULY-SEPT. REQUIREMENTS (261), THE

AMOUNTS REFLECT FIRM ORDERS. BOTH CONTRACTORS ARE AWARE THAT THEY HAVE ACCEPTED ORDERS FROM BURMESE IN EXCESS OF THEIR CONTRACTS. HOWEVER, ACCORDING TO HALL, ORDERS REPRESENT GENERALLY VALID REQUIREMENT

7. IF WE RESTRICT ORDERING FOR BALANCE OF FY TO AOG AND URGENT REQUIREMENTS, DEFER IRAN FOR F-27 AND OVERHAUL OF 3 ENGINES, MINIMUM FUNDING REQUIREMENT IS 802, RATHER THAN 1102. IT IS POSSIBLE THAT FUNDING CAN BE FOUND IN ARA COUNTRY PROGRAMS AND SUGGEST THAT A REVIEW BE UNDERTAKEN NOW.

8. SINCE HELI-ORIENT VICE PRESIDENT IS IN MANILA, WE ARE SCRATCHING SINGAPORE AND PROCEEDING DIRECTLY TO BANGKOK. WE ARE TRYING HERE FOR TOURIST VISAS FOR BURMA.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 STATE 184253

9. WHILE IN BURMA, WE HOPE TO DISCUSS WITH THE EMBASSY THE NEED FOR CLOSE COORDINATION BETWEEN BURMESE PROCUREMENT OFFICIALS AND HALL IN ORDER TO ENSURE FINANCIAL CONTROL CONSISTENT WITH CONTRACT AND FUND AVAILABILITIES.  
MURPHY

UNQUOTE VANCE

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DRUG CONTROL, CONTRACTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 20 jul 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE184253  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** RMGIBSON:BB  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780299-0374  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780736/aaaabemd.tel  
**Line Count:** 143  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 1b50a66f-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN SNM  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 MANILA 10724  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 02 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1934681  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** INC FUNDED CONTRACTS  
**TAGS:** SNAR, BM  
**To:** RANGOON  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/1b50a66f-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014